

DEPARTMENT OF AGING

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**PROGRAM MEMO**

TO: AREA AGENCIES ON AGING DIRECTORS	NO.: PM 04- 22 (P)
SUBJECT: Fiscal Year (FY) 2004-05 Area Plan Contract Amendment #1 and Revised Area Plan Budget (CDA 122)	DATE ISSUED: December 23, 2004
REVISED	EXPIRES: Until Superseded
REFERENCES: Older Americans Act (OAA) amendments of 2000; Older Californians Act, Welfare and Institutions Code 9100, et. seq.; PM 04-04 (P)	SUPERSEDES:
PROGRAMS AFFECTED: <input type="checkbox"/> All <input checked="" type="checkbox"/> Title III-B <input checked="" type="checkbox"/> Title III-C1/C2 <input checked="" type="checkbox"/> Title III-D <input checked="" type="checkbox"/> Title III-E <input type="checkbox"/> Title V <input checked="" type="checkbox"/> CBSP <input type="checkbox"/> MSSP <input checked="" type="checkbox"/> Title VII <input type="checkbox"/> ADHC <input type="checkbox"/> Other: _____	
REASON FOR PROGRAM MEMO: <input type="checkbox"/> Change in Law or Regulation <input type="checkbox"/> Response to Inquiry <input checked="" type="checkbox"/> Other Specify: <u>Transmit Amended Contract & Revised Area Plan Budget (CDA 122)</u>	
INQUIRIES SHOULD BE DIRECTED TO: Your Assigned AAA-Based Team Fiscal Specialist	

Attached are four copies of your amended Area Plan Contract for FY 2004-05. Please sign and return all four copies of the amendment (Std 213), with original signatures to:

California Department of Aging
 Business Services and Contracts Section
 1600 K Street
 Sacramento, CA 95814

The attached amended contract incorporates the following adjustments:

- Rejection of the State-funded Consolidated Block Grant/Restoration of General Fund Unallocated Reduction
- Federal transfers
- One-Time-Only
 - Unexpended funds
 - Additional federal funds
 - NSIP

USDA/NSIP changes



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Rejection of the State-funded Consolidated Block Grant/Restoration of General Fund Unallocated Reduction

The FY 2004-05 enacted budget rejected the proposed State-funded consolidated block grant and the unallocated General Fund reduction included in the proposed Governor's Budget. This change results in the return to categorical funding requirements for Title III/VII General Fund and for Community-Based Services Programs (CBSP). The budget display attached to the amended contract has been revised to reestablish specific CBSPs and to eliminate unallocated reductions.

Federal Transfers

The amended contract includes federal fund transfers approved in the original Area Plan Budget. General Fund transfers were not processed because of the restoration of categorical programs. Because the enacted budget contains specific funding for CBSPs, transfers cannot be processed between Title III/VII General Fund and CBSP General Fund.

Federal One-Time-Only

All unexpended federal funds carried over from FY 2003-04 were reallocated to those AAA where they were identified as unexpended. In addition, the Department received a supplemental federal grant of \$526,828 in federal FY 2003 for Title III programs. These funds, as well as the net proceeds from audit resolutions, are allocated on the Budget Displays attached to the amended contract in accordance with the Intrastate Funding Formula.

Total Title III/VII federal OTO funding available for allocations to AAAs is:

<u>Program</u>	
Supportive Services (III-B)	\$3,815,720
Ombudsman (III-B)	18,118
Congregate Nutrition (III-C1)	1,050,373
Home Delivered Nutrition (III-C2)	1,560,386
Preventive Health (III-D)	357,841
Family Caregiver Support (III-E)	4,482,478
Ombudsman (VII-A)	12,460
Elder Abuse (VII-B)	<u>108,979</u>
Total Title III/VII OTO Funds	\$11,406,355

Title III/VII (including III E) OTO funds should be used for one-time-only purposes and cannot be used to increase baseline needs. Title III/VII (including III E) OTO funds can only be used for the following purposes:

- (1) The purchase of equipment which enhances the delivery of services to the eligible service population;
- (2) Home and community-based projects which assist families and/or caregivers to maintain the eligible service population in a home environment, as approved by the Department; or

(3) Innovative pilot projects as approved by the Department.

Nutrition Services Incentive Program (NSIP) One-Time-Only

The NSIP One-Time-Only allocation is for the balance of funds that resulted from the change in payment methodology (per meal payments to quarterly allocations). OTO funds are being allocated to AAAs based on actual meals served in the year in which funds were available.

Federal Fiscal Year 2003

\$1,730,858

NSIP Changes

Based on the final federal FY 2004 allocations and meal counts from federal FY 2003, the Department has revised the baseline NSIP allocations for each AAA. This revision allocates an additional \$1,141,503 of NSIP baseline funds for FY 2004-05.

CBSP Allocations

CBSP funds in the amended contract were restored to the FY 2003-04 final allocation level by program and administration. AAAs are allowed to budget up to 10% of the Total CBSP General Fund Programs for AAA administration. If the current AAA administration allocation on the amended budget display is less than the maximum allowed, CBSP program funds can be moved into administration and should be reflected in the transfer section of the Area Plan Budget. The maximum amount allowed for AAA administration is identified in the comment section on the third page of the amended budget display.

Area Plan Budget (CDA 122 Rev 12/04)

The Area Plan Budget (CDA 122) has been revised and is attached to this PM. Revisions are based on the FY 2004-05 enacted budget and include (1) removing references to Other State Funded Grants (OSFG) and replacing with Community-Based Services Programs and (2) changing program names to match specific CBSP categorical programs. In addition, the transfer section was expanded to accommodate changes in the Area Plan Budget Display and to provide AAAs a place to document CBSP redirections.

A revised CDA 122 that incorporates the amounts in the Area Plan Budget Display attached to the amended contract is **due to your assigned AAA-Based Team Fiscal Specialist 30 days from the date of this PM**. An electronic master copy of the revised CDA 122 form (in Excel format, with formulas) and instructions will be emailed to the AAA Fiscal Officers simultaneously with the distribution of this PM.

Original Signed By Lora Connolly

Lora Connolly
Acting Director

Attachment